



Merchandising Financial Planning Process Redesign

Designing and implementing new processes and a new planning calendar to improve visibility and achieve gross margin and inventory turn objectives.



The Client

A big box home décor retailer featuring broad product categories including furniture, home textiles, garden, housewares, accessories, and rugs, as well as seasonal décor.

The Challenge

The pre-season planning calendar and timeline were developed after product development and commitments were made. This lag resulted in limited visibility to rolled up company merchandising financials and lack of clarity in understanding if merchandise commitments would support or be in excess of the level of business planned.

Further, the in-season business review process primarily looked at historical performance, gave inadequate visibility into financial measurements, and did not provide insights into projected key measures, such as forecasted inventory levels or gross margin.

The Parker Avery Solution

Parker Avery partnered with the client in designing new processes and implementing a new calendar and report structure that would support the business requirements and objectives.

Parker Avery's overall solution combined the new process, timeline, and reports with redesigned roles and responsibilities to enable an immediate win for the company.

Key activities included:

- Design of future-state pre-season and in-season merchandise financial planning (MFP) processes

- Development and design of standard reporting to support the planning process and create plan transparency across the organization
- Change management leadership, including development of training plan and communication strategy
- Development of training materials and training delivery
- Overall project management to deliver within the client's specified budget and timeline

The Result

The client successfully implemented the new calendar and processes that support their desired environment and future business initiatives. The solution provided the company a holistic forward-looking view from which the client expects to enable gross margin and inventory turn benefits within three months.